

URL: <https://stvp.stanford.edu/clips/the-development-of-chinas-silicon-valley>

"It's not a million dollar question. It's a trillion dollar question," says Robin Li, CEO of Baidu, on the emergence of a Silicon Valley entrepreneurial ecosystem in China. Though the country's economy is enormous, much of it is based on cheap labor and inexpensive manufacturing. Many in China, particularly those in government, says Li, are very interested in developing the country's potential, but the task of replicating that kind of innovation has many roadblocks in its path.



Transcript

It's not a million-dollar question.. It's a trillion-dollar question.. I think many of the Chinese are very eager to find out what it takes to form a Silicon Valley in China, especially for the government officials.. During the past 30 years, China maintained a very high growth rate in terms of GDP.. It has become a very large economy in the world.. But the problem is that they primarily relied on cheap labor, cheap products, manufacturing to get here.. I think a lot of people, especially the Chinese leaders, the decision-makers, realized that that's not going to last very long.. We need to innovate.. We need to have more value-added things in the Chinese economy or in the GDP composition.. That's why many of them are thinking really very hard of how to foster entrepreneurship, how to encourage innovation..

And if you talk to any of the local government officials in Beijing, Shanghai, Shengjian, they are all very eager to foster entrepreneurship to open up those experimental loans so that you can get cheap rent or free rent or even government startup funding so that entrepreneurs can start to realize those dreams.. But it's not an easy task.. Silicon Valley is very unique.. I don't know what it takes to replicate that in China, but I certainly hope one day there will be a place in China that looks like Silicon Valley.. Given that we have the largest Internet population, it's likely that we will be able to encounter new problems before American people encounter.. Therefore, we have the chance to innovate and to solve those problems.. So, I think there are hopes for that...